

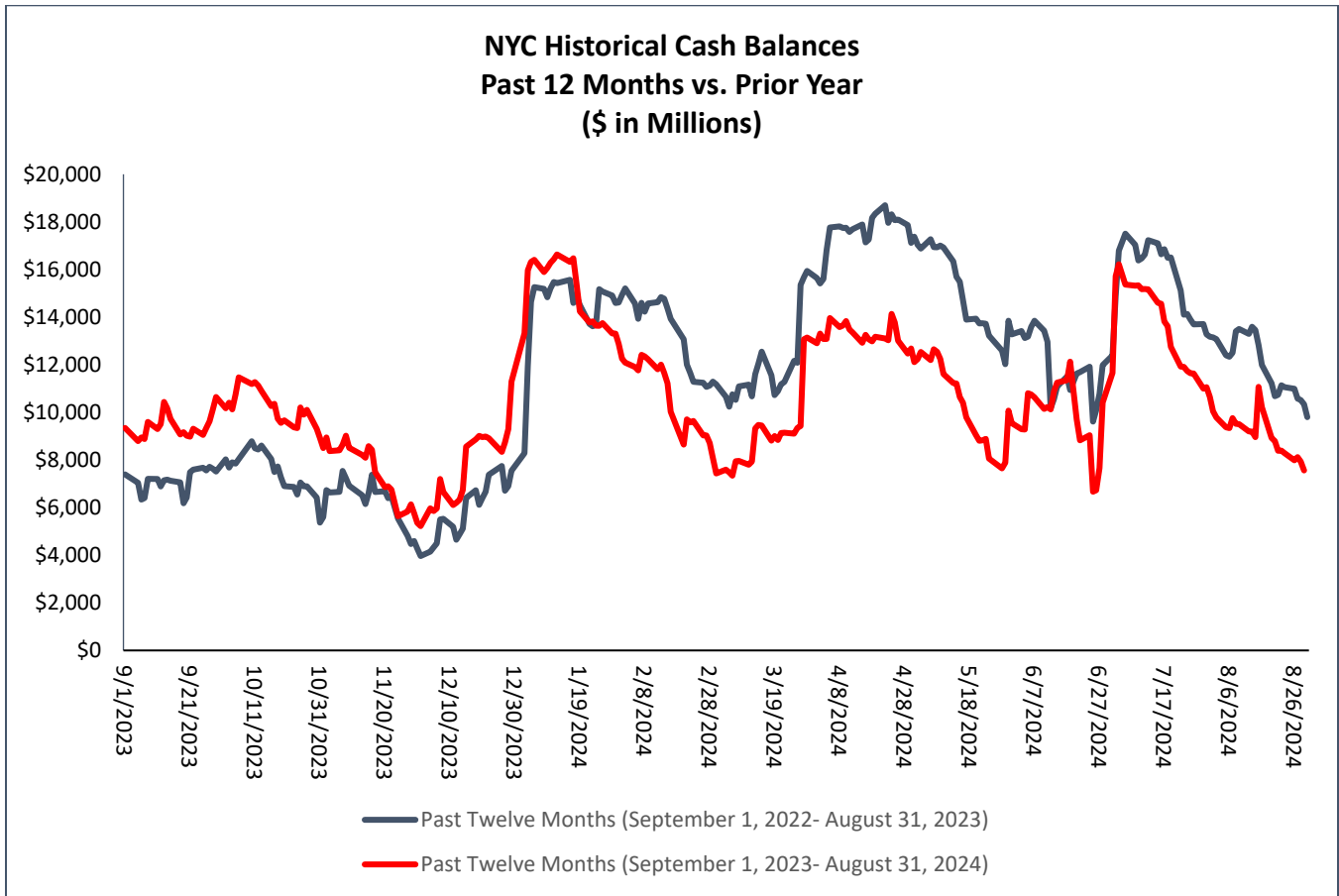


New York City Cash Balance Projection

New York City Comptroller Brad Lander

Bureau of Budget

September 2024



At the close of FY 2024 (on June 28, 2024), the City recorded the end-of-year cash balance of \$10.410 billion, compared to \$12.387 billion a year prior. As expected, cash balances fell in the 2nd half of FY 2024 below the previous year’s record highs. Daily cash balances during FY24 averaged \$10.931 billion, compared to \$11.122 in FY 2023.

The City’s economy grew at a moderate pace. During the fiscal year, the City collected \$129.9 billion in revenue, \$1.9 billion more than last year. Total tax revenue measured \$73.8 billion, 1% lower than last year, in part due to the timing of real estate tax collections. The City saw strong sales and business income tax receipts. The resurgence in tourism in NYC is boosting retail, restaurant, and entertainment businesses, contributing to consistently stronger sales tax revenues. However, the commercial real estate market remains depressed and continues to face challenges due to a sustained shift toward remote and hybrid work. NYC’s housing market also remains weak, as home prices remain high for buyers amid

sustained high interest rates. Cash receipts also benefited from almost \$3.1 billion in Covid-19 pandemic relief funds from the Federal government.

Tax collections and the continuation of federal aid supported \$131.9 billion in spending in FY 2024 as well as a prepayment of \$4.397 billion towards FY 2025 expenses (sequentially lower than in the previous two years). The prepayment consisted of \$1.954 billion of General Obligation (GO) debt service and \$2.443 billion of Transitional Finance Authority (TFA) debt service.

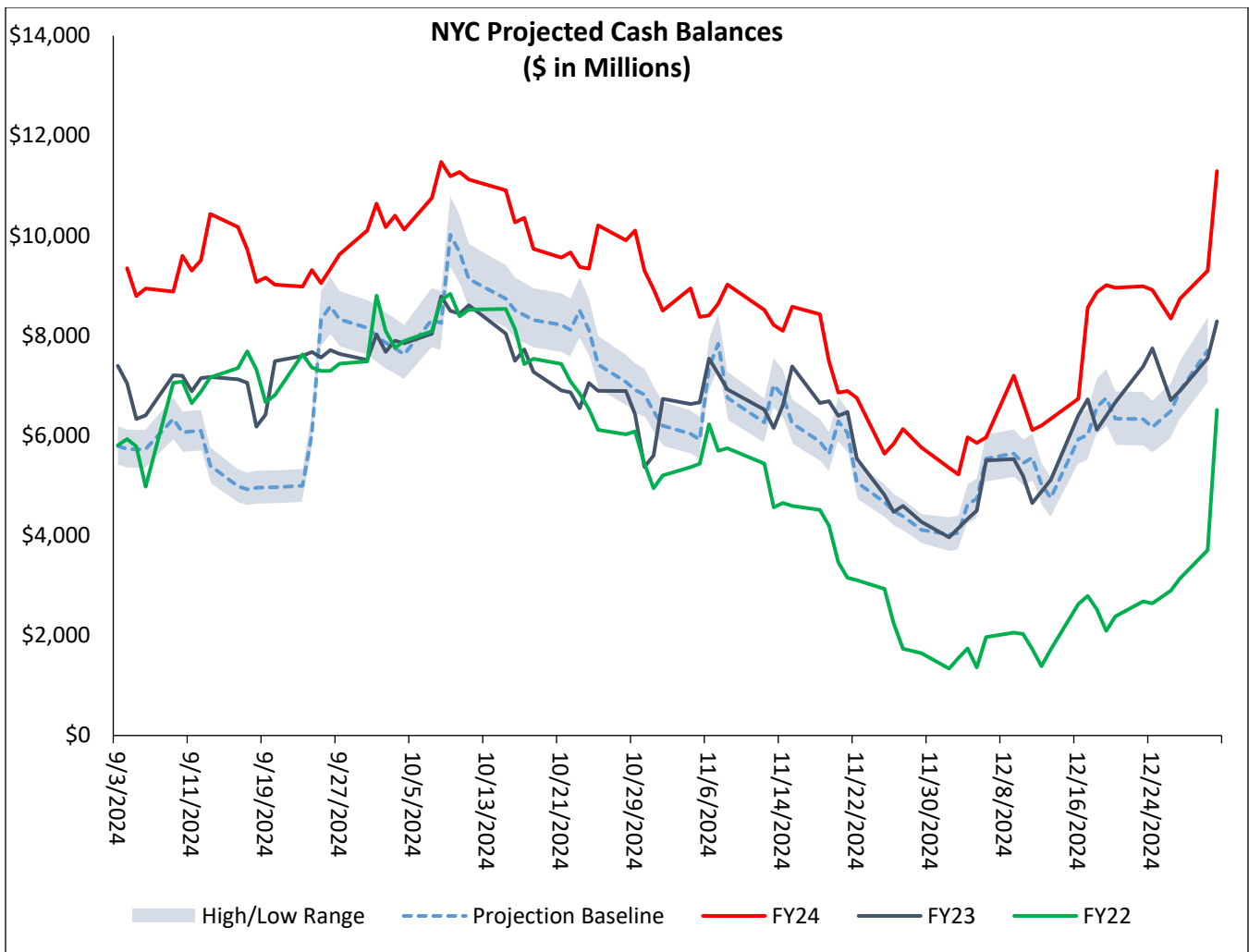
This year's payment to the RHBT for FY 2024 benefits equaled \$2.794 billion, which is net of a prepayment of \$500 million made in June 2023.

During the 12 months ending on August 30th, cash balances have averaged \$10.496 billion, compared to \$11.615 billion at the same time last year. New York City is starting September 1, 2024 with \$6.207 billion in cash, below last year's figure by \$3.593 billion. The City's cash balance includes \$1.964 billion in the Revenue Stabilization Fund (RSF), the City's rainy-day fund, inclusive of an expected end-of-year General Fund surplus of \$5 million. The majority of funds, \$1.455 billion, were allocated to the RSF in fiscal year 2022.

For a full description of FY24 and the last quarter, please see the accompanying 4Q FY 2024 Quarterly Cash Report.

Projected Cash Balances (September 3rd – December 31st)

The updated projection below outlines expected cash balances in the NYC central treasury from September 3 to December 31, 2024, incorporating guidance provided in the FY25 Adopted Budget and increased spending trends, particularly related to public assistance, social services and the continued provision of shelter to the asylum seekers, in line with FY 2025 adopted budget estimates.



FY 2025 cash balances are projected to be lower than in FY 2024, close to FY 2023 levels. The City has sufficient cash to sustain its operations, and does not anticipate issuing short-term debt in FY 2025. Our projection shows that, as in previous years, the annual cash balance low will occur in early December and will measure between \$3.7 billion and \$4.4 billion. The seasonal low measured \$5.223 billion in FY 2024, \$3.966 billion in FY 2023, \$1.338 billion in FY 2022.

The cash forecast is consistent with [our assessment of the revenue forecast in the City’s Adopted Plan](#). The FY 2025 forecast incorporates the growth in property tax revenue, reflecting continuing, but slower growth in assessments. At the same time, we assume a moderate growth in business, sales, real-estate related, and personal income and pass-through entity taxes.

The forecast assumes higher NYS aid in FY25. The State Enacted Budget includes an additional \$881 million for newly arrived migrants in FY25, as well as \$466 million more in Foundation Aid to the City, the primary source of state funding for public schools.

The cash balance forecast assumes there will be no capital transfer on September 11th; however, the City is preparing for a busy period of bond issuance in September and October. We project that \$7.789 billion in bond proceeds will be moved into the General Fund over the next four months.

The forecast also assumes growing costs of providing public assistance, including rental and cash assistance. The rate of growth accelerated, initially after Covid-19 era unemployment benefits expired in September 2022, with growth continuing with the expansion of eligibility for asylum applicants among other reasons. At the same time, it's worth noting, that while growing as a proportion, refugees and asylum seekers make up only 4% of all cash assistance cases.¹ As of June 2024, the City had 557,570 cash assistance receipts, compared to 481,477 a year ago.

In addition, the City is also facing higher costs associated with providing shelter and services to asylum seekers currently in shelters and Humanitarian Emergency Response and Relief Centers (HERRCs), which is partially offset by higher NYS aid.

The City received almost \$5 billion in COVID-19-related stimulus and COVID-19 FEMA reimbursement funds in FY 2023 and \$3.1 billion in FY 2024. An influx of federal Covid funds lifted the City's cash balances in the last two years but the flow of aid is going to normalize going forward.

Overall, cash flow balances are estimated to average \$6.560 billion during the next four months compared to \$8.726 billion during the same period last year.

Projection details are in the following pages of this document.

¹ <https://www.thecity.nyc/2024/03/25/safety-net-assistance-migrants-refugees-asylum-seekers/>

NYC Projected Cash Balances

(\$ in Millions)

	<u>High</u>	<u>Low</u>	<u>Baseline</u>
3-Sep-24	6,186	5,399	5,792
4-Sep-24	6,121	5,341	5,731
5-Sep-24	6,114	5,335	5,725
6-Sep-24	6,121	5,341	5,731
9-Sep-24	6,765	5,904	6,334
10-Sep-24	6,481	5,655	6,068
11-Sep-24	6,499	5,671	6,085
12-Sep-24	6,511	5,682	6,096
13-Sep-24	5,765	5,031	5,398
16-Sep-24	5,326	4,648	4,987
17-Sep-24	5,261	4,591	4,926
18-Sep-24	5,295	4,621	4,958
19-Sep-24	5,302	4,627	4,964
20-Sep-24	5,304	4,628	4,966
23-Sep-24	5,335	4,655	4,995
24-Sep-24	6,451	5,629	6,040
25-Sep-24	8,896	7,763	8,329
26-Sep-24	9,170	8,002	8,586
27-Sep-24	8,894	7,761	8,328
30-Sep-24	8,710	7,601	8,156
1-Oct-24	8,613	7,453	7,997
2-Oct-24	8,461	7,322	7,856
3-Oct-24	8,345	7,222	7,748
4-Oct-24	8,215	7,109	7,627
7-Oct-24	8,954	7,749	8,314
8-Oct-24	8,889	7,692	8,253
9-Oct-24	10,790	9,337	10,019
10-Oct-24	10,410	9,008	9,665
11-Oct-24	9,834	8,510	9,131
15-Oct-24	9,411	8,144	8,739
16-Oct-24	9,164	7,931	8,509
17-Oct-24	9,056	7,837	8,409
18-Oct-24	8,952	7,747	8,312
21-Oct-24	8,848	7,657	8,215
22-Oct-24	8,739	7,562	8,114
23-Oct-24	9,158	7,925	8,504
24-Oct-24	8,740	7,564	8,115
25-Oct-24	7,993	6,917	7,422
28-Oct-24	7,616	6,591	7,072
29-Oct-24	7,446	6,444	6,914
30-Oct-24	7,346	6,357	6,821
31-Oct-24	6,988	6,047	6,488

NYC Projected Cash Balances

(\$ in Millions)

	<u>High</u>	<u>Low</u>	<u>Baseline</u>
1-Nov-24	6,675	5,777	6,198
4-Nov-24	6,503	5,627	6,038
5-Nov-24	6,376	5,518	5,920
6-Nov-24	7,929	6,862	7,362
7-Nov-24	8,441	7,305	7,838
8-Nov-24	7,276	6,297	6,756
12-Nov-24	6,745	5,837	6,263
13-Nov-24	7,549	6,533	7,010
14-Nov-24	7,322	6,336	6,798
15-Nov-24	6,726	5,820	6,245
18-Nov-24	6,332	5,480	5,880
19-Nov-24	6,066	5,249	5,632
20-Nov-24	6,769	5,858	6,285
21-Nov-24	6,522	5,644	6,056
22-Nov-24	5,456	4,721	5,066
25-Nov-24	5,027	4,350	4,668
26-Nov-24	4,833	4,182	4,488
27-Nov-24	4,725	4,089	4,387
29-Nov-24	4,430	3,834	4,114
2-Dec-24	4,366	3,675	4,020
3-Dec-24	4,403	3,706	4,054
4-Dec-24	5,023	4,227	4,625
5-Dec-24	5,142	4,327	4,734
6-Dec-24	6,016	5,063	5,539
9-Dec-24	6,125	5,155	5,640
10-Dec-24	5,918	4,981	5,450
11-Dec-24	6,034	5,079	5,557
12-Dec-24	5,459	4,594	5,027
13-Dec-24	5,161	4,344	4,752
16-Dec-24	6,440	5,420	5,930
17-Dec-24	6,531	5,497	6,014
18-Dec-24	7,138	6,007	6,572
19-Dec-24	7,331	6,170	6,751
20-Dec-24	6,884	5,794	6,339
23-Dec-24	6,873	5,785	6,329
24-Dec-24	6,700	5,639	6,169
26-Dec-24	7,047	5,931	6,489
27-Dec-24	7,495	6,308	6,902
30-Dec-24	8,364	7,040	7,702
31-Dec-24	10,734	9,034	9,884

Inflows - NYC Cash Balance Monthly Detail

(\$ in Millions)

Inflows	Sep-24	Oct-24	Nov-24	Dec-24	Sep-Dec-24
Opening Balance	6,206.94	8,155.86	6,488.28	4,113.65	6,206.94
Sales Tax	784.39	1,016.89	797.29	1,180.14	3,778.70
Utility Tax	36.72	36.72	36.72	36.72	146.88
Commercial Rent Tax	217.69	15.88	10.12	212.72	456.41
Personal Income Tax + PTET	1,714.32	1,715.93	464.53	1,269.56	5,164.33
General Corporation Tax	1,371.83	197.97	127.13	1,445.43	3,142.37
Banking Tax	1.00	1.00	1.00	1.00	4.00
Unincorporated Business Tax	631.21	70.07	39.98	434.31	1,175.56
Real Property Tax	1,473.71	1,044.72	296.20	6,116.45	8,931.08
Other Taxes	397.40	173.66	184.27	410.28	1,165.60
Less Refunds All Taxes	-95.00	-95.00	-95.00	-95.00	-380.00
Total Taxes	6,533.26	4,177.84	1,862.23	11,011.60	23,584.93
Federal Welfare	62.41	36.69	91.48	243.04	433.62
Federal Education	2.93	12.49	18.07	136.60	170.09
Federal Community Development	10.11	10.47	10.70	29.36	60.64
Federal Other	81.47	144.62	138.52	131.14	495.75
Total Federal Aid	156.92	204.27	258.78	540.14	1,160.10
NYS Welfare	25.39	27.23	117.32	179.26	349.20
NYS Health	13.69	47.28	5.03	93.39	159.39
NYS Education	1,294.45	164.06	818.01	1,332.57	3,609.09
NYS Higher Education	2.44	502.50	36.84	16.08	557.85
NYS Other	13.70	32.00	39.51	89.64	174.85
Total New York State Aid	1,349.66	773.07	1,016.71	1,710.93	4,850.37
NYS Revenue Sharing	0.00	0.00	0.00	0.00	0.00
Other Intergovernmental Aid	0.00	0.00	0.00	0.00	0.00
Total Intergovernmental	0.00	0.00	0.00	0.00	0.00
Water Board	272.00	287.00	268.00	188.00	1,015.00
Interest Income	62.92	62.92	62.92	62.92	251.68
Fines and Forfeitures	120.24	120.24	120.24	120.24	480.98
Miscellaneous Revenue	194.46	196.60	241.03	196.25	828.33
Senior College Tuition and Fees	0.00	0.00	155.27	0.00	155.27
Capital Interest	1.94	1.94	1.94	1.94	7.78
Housing Revenue	1.10	1.10	1.10	1.10	4.38
Total Miscellaneous	652.66	669.80	850.50	570.45	2,743.42
Prior Federal Aid	572.15	308.29	249.33	688.29	1,818.07
Prior NYS Aid	254.05	134.02	357.18	196.41	941.65
Total Federal And NYS Prior Aid	826.20	442.31	606.51	884.71	2,759.72
Balance Sheet Inflows	23.00	23.00	23.00	23.00	92.00
Federal/State Capital	45.00	45.00	45.00	45.00	180.00
Transfers from Capital Proceeds	2,200.30	2,310.38	2,389.96	888.81	7,789.44
Payroll Taxes Inflows	234.40	236.27	234.98	235.34	940.99
Seasonal Borrowing	0.00	0.00	0.00	0.00	0.00
Other Operating Inflow	336.01	330.44	277.12	338.01	1,281.58
Total Other Inflows	2,838.71	2,945.09	2,970.06	1,530.16	10,284.02
Total Inflows	12,357.41	9,212.38	7,564.79	16,247.99	45,382.57

Outflows - NYC Cash Balance Monthly Detail

(\$ in Millions)

Outflows	Sep-24	Oct-24	Nov-24	Dec-24	Sep-Dec-24
Payroll	2,051.86	2,068.20	2,056.90	2,060.03	8,237.00
Pensions	852.04	852.04	852.04	852.04	3,408.15
Social Security	208.41	269.98	207.58	210.58	896.55
Health Plan	546.86	546.86	546.86	546.86	2,187.45
Other PS	72.11	72.11	72.11	72.11	288.43
Total PS	3,731.28	3,809.19	3,735.48	3,741.62	15,017.57
PA	577.00	461.82	415.27	669.37	2,123.45
MA	392.47	445.56	486.42	392.15	1,716.60
Other DOSS	312.37	357.27	377.12	345.46	1,392.22
HHC	214.15	209.31	133.42	181.15	738.03
TA	17.50	17.50	0.41	0.00	35.41
HA	0.73	5.01	7.87	3.59	17.19
Lump Sum	242.23	300.56	292.59	317.94	1,153.32
Vendor Payments	2,229.48	2,536.10	2,138.06	2,513.48	9,417.11
Other OTPS	0.00	0.00	0.00	0.00	0.00
Total OTPS	3,985.92	4,333.12	3,851.16	4,423.12	16,593.32
City Capital	1,086.16	1,086.16	1,086.16	1,086.16	4,344.64
Other Outflow Capital	74.60	51.58	54.68	44.80	225.65
GO Debt Service Funding	0.00	313.50	0.00	0.00	313.50
NYCTFA Debt Service Funding	0.00	0.00	0.00	0.00	0.00
Other Debt Service Funding	0.00	0.00	0.00	0.00	0.00
Repay Seasonal Borrowing	0.00	0.00	0.00	0.00	0.00
Payroll Taxes Outflow	1,265.24	990.54	978.81	992.95	4,227.54
Other Outflows	265.30	295.86	233.13	189.35	983.64
Total Other Outflows	2,691.30	2,737.64	2,352.77	2,313.26	10,094.97
Total Outflows	10,408.50	10,879.95	9,939.42	10,478.00	41,705.87
Net Flow	1,948.91	-1,667.57	-2,374.63	5,769.99	3,676.70
Ending Balance	8,155.86	6,488.28	4,113.65	9,883.64	9,883.64

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